

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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1. Since 1950 the distribution of metallurgical products to private consumers has been made through Centrocommetal; which has a number of distribution centers known as Intreprindere Pentru Comerțul de Stat (ICS - State Trading Enterprises). A distribution plan is worked out and submitted to the State Supply Commission (CSA), and after confirmation of the plan by the Commission, supply contracts are concluded with the appropriate factories. After the reorganization in 1950 Centrocommetal established an ICS in every town of importance, whereas previously there had been a so-called State Store only for each district. The largest ICS are the following: Ferometal in Bucharest (with 80 sales centers), Curtea de Fier at Stalin (Brasov), Fierul at Cluj, Otelul at Oradea, and Banatul at Timisoara. A further reorganization is planned for 1 May 1952 under which each Centrocom is to set up 10 to 15 regional depots for the supply of its ICS, and the contracts with the suppliers are to be concluded by these depots as wholesale dealers.
2. Private consumers receive the following products:
 - a. Bars: flat, round, square and angle-irons.
 - b. Sheet iron up to 4 mm. thick.
 - c. Galvanized sheet iron.
 - d. Tin plate.
 - e. Cold-rolled iron for the manufacture of drawing pins, locks and padlocks, uniform buttons, iron heel and toe protectors for shoes.
 - f. Hot-rolled iron for barrel hoops.
 - g. Nails
 - h. Water and gas pipes.
 - i. Iron wire and chains.
 - j. Cast iron products.
 - k. Kitchen stoves.
 - l. Nails for horseshoes.
 - m. Pitch forks.
 - n. Various other tools.

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Before the State Supply Commission was set up, only products a. to i. (above) were distributed by Centrococometal. Later 90 per cent of the other products listed above were also controlled, and only products made of cast iron remained outside the scheme.

3. The following quantities of metal were allocated for private consumption in the first three months of 1951:

a. Iron bars	3,000 tons
b. Sheet iron	750 tons
c. Galvanized sheet iron	300 tons
d. Hot-rolled iron	50 tons
e. Nails	100 to 120 tons
f. Water and gas pipes	200 tons

For some time prior to this, there had been no quota of either white sheet iron or cold-rolled iron for private purchasers.

4. Private consumption during 1951 may be estimated from the following figures. In 1950 and 1951 steel production was estimated at 350,000 to 460,000 tons annually, divided as follows:

a. Resita	200,000 to 250,000 tons
b. Hunedoara	100,000 to 150,000 tons
c. Otelul Rosu (formerly Ferdinand)	50,000 to 60,000 tons

Private consumers received their allocation from the production of Hunedoara and Otelul Rosu only. Resita, except for steel billets for pipes turned over to Malaxa and billets for products other than those listed above, processed its entire steel output itself, making only items not sold to private consumers.

5. Metallurgical production of the type purchased by private customers consists of the following quantities per year:

a. Steel sheets (up to 4 mm)	30,000 tons
b. Iron billets	4,000 tons
c. Cold-rolled iron	1,200 tons
d. Iron bars, reinforcing iron, nails, iron wire, chains and pitch forks (The IMD Braila and Industria Sarmei (Braila) factories are the main sources of products for private consumption.)	132,000 to 134,000 tons
e. To these figures must be added the production of iron wire, rods for reinforced concrete, and nails made by the Industria Sarmei at Campia Turzii as well as the nail production of the Grivita Factory in Bucharest and the I.C. Frimu (formerly Costinescu) factory at Sinaia.	

A certain reduction must be made for iron wire used to manufacture nails which appears under "production" in both forms above, but no details of quantities are known.

6. Otelul Rosu produces sheet iron 500 by 500 mm and up to 4 mm thick. It is the only factory in Rumania to produce steel billets (4,000 tons annually) and cold-rolled iron (1,200 tons annually). The factory has old rollers and little machinery for the production of cold-rolled iron because this type of production was just begun when the former owner, Auschnitt, had to leave. There is a shortage of water in this area which causes stoppages of work.

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7. The Nadrag Factory (formerly Auschnitt) at Nadrag produces sheet iron 650 by 1000 mm and up to 4 mm thick, and is the only factory in Rumania to produce white tin plate.
8. The Titan Factory (formerly Auschnitt) at Galati produces sheet iron one-half a square meter large and up to 4 mm thick.
9. IMD Braila (formerly Goldenberg Brothers) produces iron bars, nails, iron wire and chains. Its capacity is approximately 4,000 to 5,000 tons per month.
10. Industria Sarmel, Braila, produces iron bars, rods for reinforced concrete and iron wire for nails. Its capacity is approximately 7,000 tons per month.
11. The I.C. Frimu Factory at Sinaia produces nails. In 1950 the factory also began to produce spare parts for automobiles.
12. Industria Sarmel, at Campia Turzii produces iron products including rods for reinforced concrete, iron wire and nails, electric cable (copper), soldering wire, and special steels for the production of files, automobile parts and other machine parts. Its total production in 1950 was 100,000 tons. In the same year the factory received 10,000 tons of billets from Poland to be processed and returned as rods for reinforced concrete. In May or June 1951 the installation of a very large Boshler and Blechman electric furnace ~~has~~ ~~been completed~~ to be used for the manufacture of fine steels. These "fine" steels are not identical with the "special" tool steel previously manufactured by the factory.
13. Hunedoara produces various types of steel billets, mainly those two meters long and 65/65 mm thick for wire, for IMD Braila and for Industria Sarmel at Braila and at Campia Turzii. It also produces cast iron pipes for drainage, spades and pickaxes.
14. The following products, part of them for private use, are imported from the USSR, Hungary and Czechoslovakia: Steel billets, angle iron and sheet iron up to 4 mm. Rumanian production is insufficient and for this reason the private consumers often receive no allocation. In 1950 metallurgical products were imported from Poland and Czechoslovakia along with 10,000 tons of coke. The coke was simply dumped on top of the metals, and these could not be retrieved until the coke, which was sent to Resita and Hunedoara, was finally used up almost a year later. Not more than 15 per cent of the above imports are allocated for private use.
15. The State Supply Commission has two special depots for imported products, one at Iasi for imports from the USSR, and the other at Stalin (Brasov).

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